

APPROPRIATIONS ALERT

BY THE COMMITTEE ON THE BUDGET, REPUBLICAN CAUCUS

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DEMOCRATS' FINAL OMNIBUS APPROPRIATION A CLUMSY AND CUMBERSOME END-OF-SESSION BILL (H.R. 2764 amended)

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The final omnibus appropriations bill, when combined with previously enacted defense spending, meets the administration's total discretionary limit of \$933 billion, partly through budget gimmicks and the designation of \$11 billion as emergency spending (to evade spending limits). Due to the resolve of House Republicans and the President, the total level is \$21 billion in base discretionary spending below the amount called for in the Democrats' budget resolution – a difference of \$204 billion when extended over 5 years. In addition, the omnibus provides \$31 billion for operations in Afghanistan, and \$40 billion for the troops in Iraq – with the latter amount also included because of Republican insistence. Thus, Democrats have conceded on the most significant fiscal and policy issues. Barring other unforeseen problems, the President is expected to sign the bill.

Fiscal Year 2008 Base Discretionary Spending (dollars in billions)

	2007 Enacted	2008 President	2008 House	2008 Democrats	2008 Dems. v. President
Enacted DoD	420	463	459	459	-3.5
Omnibus	453	470	495	474	+3.5
Total, Base Discretionary	873	933	954	933	0
Iraq/Afghanistan Funds in Omnibus (GWOT emergency)	0	0	0	70	0
Memorandum: Emergencies					
Enacted (2 nd CR)	-	-	-	6	-
Omnibus	-	-	-	11	-
Total Non-War Emergencies	-	-	-	17	-

Despite its improvements over the previous House-passed omnibus, this \$555-billion measure still reflects awkward and undisciplined legislating. It bundles 11 regular spending bills, mainly for the government's domestic agencies, into a single package of more than 3,500 pages. It was made public in the dead of night, giving Members less than 24 hours to review it.

Key points about the bill include the following:

- ***Amasses 11 Appropriations Bills Into a Catch-All Package.*** The measure contains \$474 billion in regular domestic spending, lumping together programs and activities covered

by the 11 regular appropriations bills that have not been enacted. (To date, only the Defense Appropriations bill – H.R. 3222, Public Law 110-116 – has been passed and signed by the President.)

- ***Provides Partial-Year Troop Funding, Without Restrictions.*** As noted, the bill contains \$31 billion to fund operations in Afghanistan, and \$40 billion for the troops in Iraq that the Department of Defense says will be sufficient through the spring. The previous House version of the omnibus provided no Iraq funding, and prohibited the Department of Defense from transferring funds to support those troops. The Iraq funding was added following overwhelming Republican support and a veto threat from the President. Still, although the President in February requested full-year Iraq funding, and the House has authorized the full \$190 billion, the omnibus goes only part-way.
- ***Includes Emergency Veterans Health Spending.*** A total of \$3.7 billion for veterans' health care is added as a "contingent" emergency spending – meaning the President must request the spending as an emergency.
- ***Adds \$7.5 Billion for Other 'Emergencies.'*** The bill also contains \$7.5 billion in questionable emergency-designated spending, allowing the Democrats to evade budget limits. Among these emergency provisions are: \$2.7 billion for border security; \$2.4 billion for international affairs programs; \$300 million for wildfire suppression; \$602 million for drought relief; \$400 million for the Supplemental Nutrition Program for Women, Infants, and Children [WIC]; \$195 million for the collapsed Minnesota bridge; and \$250 million for Low Income Home Energy Assistance Program [LIHEAP].
- ***Resorts to Transparent 'Savings' Gimmicks.*** The omnibus bill relies on billions of dollars of gimmicks that do not result in outlay savings. In a key example, more than \$4 billion in highway program contract authority [CA], a form of mandatory budget authority, are rescinded. Some of this CA is old and would never be spent, including funds provided in the 1991 Transportation Appropriations bill as well as the 1991 Interstate Transportation Equity Act [ISTEA] highway authorization bill. The Congressional Budget Office scores no outlay savings from this rescission.
- ***Contains More Than 9,000 Earmarks.*** The omnibus bill is stuffed with more than 9,000 pork projects for Congress at the cost of billions of taxpayer dollars. It contains roughly 300 "airdropped" earmarks – special-interest spending not in either the House or Senate bill, but added at the last minute. Examples include \$213,000 for fruit fly research in Montpelier, France, and \$113,000 for rodent control in Alaska.